

[PUBLIC LAW 535—81ST CONGRESS]

[CHAPTER 220—2D SESSION]

[H. R. 7797]

AN ACT

To provide foreign economic assistance.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Foreign Economic Assistance Act of 1950".

TITLE I

SEC. 101. This title may be cited as the "Economic Cooperation Act of 1950".

FINDINGS AND DECLARATION OF POLICY

SEC. 102. (a) Section 102 (a) of the Economic Cooperation Act of 1948, is amended by striking out in the fourth sentence thereof "trade barriers" and inserting in lieu thereof "barriers to trade or to the free movement of persons"; and by inserting in the fifth sentence thereof the word "further" before the word "unification".

(b) Section 102 (b) (1) of such Act is amended by inserting a comma and the phrase "increased productivity, maximum employment, and freedom from restrictive business practices" after the word "production".

GUARANTIES AND LIBERALIZATION OF TRADE BETWEEN EUROPEAN COUNTRIES

SEC. 103. (a) Section 111 (b) (3) (ii) of such Act is amended to read as follows:

"(ii) the Administrator shall charge a fee in an amount determined by him not exceeding 1 per centum per annum of the amount of each guaranty under clause (1) of subparagraph (v), and not exceeding 4 per centum per annum of the amount of each guaranty under clause (2) of such subparagraph, and all fees collected hereunder shall be available for expenditure in discharge of liabilities under guaranties made under this paragraph until such time as all such liabilities have been discharged or have expired, or until all such fees have been expended in accordance with the provisions of this paragraph; and".

(b) Section 111 (b) (3) (iv) of such Act is amended to read as follows:

"(iv) as used in this paragraph, the term 'investment' includes (A) any contribution of capital goods, materials, equipment, services, patents, processes, or techniques by any person in the form of a loan or loans to any enterprise to be conducted within a participating country, (B) the purchase of a share of ownership in any such enterprise, (C) participation in royalties, earnings, or profits of any such enterprise, and (D) the furnishing of capital goods items and related services pursuant to a contract

providing for payment in whole or in part after the end of the fiscal year in which the guaranty of such investment is made; and".  
(c) Section 111 (b) (3) (v) of such Act is amended to read as follows:

"(v) the guaranty to any person shall be limited to assuring one or both of the following: (1) The transfer into United States dollars of other currencies, or credits in such currencies received by such person, as earnings or profits from the approved project, as repayment or return of the investment therein, in whole or in part, or as compensation for the sale or disposition of all or any part thereof; and (2) the compensation in United States dollars for loss of all or any part of the investment in the approved project which shall be found by the Administrator to have been lost to such person by reason of expropriation or confiscation by action of the government of a participating country. When any payment is made to any person pursuant to a guaranty as hereinbefore described, the currency, credits, asset, or investment on account of which such payment is made shall become the property of the United States Government, and the United States Government shall be subrogated to any right, title, claim, or cause of action existing in connection therewith."

(d) Section 111 (b) (3) of such Act is further amended by striking out the words between the second and last provisos therein and inserting in lieu thereof the following: "It being the intent of the Congress that the guaranty herein authorized should be used to the maximum practicable extent and so administered as to increase the participation of private enterprise in achieving the purposes of this Act, the Administrator is authorized to issue guaranties up to a total of \$200,000,000".

(e) Section 111 (c) (2) of such Act is amended by striking out "\$150,000,000" and inserting in lieu thereof "\$200,000,000".

(f) Section 111 of such Act is further amended by adding at the end thereof the following new subsection:

"(d) The Administrator is authorized to transfer funds directly to any central institution or other organization formed to further the purposes of this Act by two or more participating countries, or to any participating country or countries in connection with the operations of such institution or organization, to be used on terms and conditions specified by the Administrator, in order to facilitate the development of transferability of European currencies, or to promote the liberalization of trade by participating countries with one another and with other countries."

#### PROTECTION OF DOMESTIC ECONOMY

SEC. 104. (a) Section 112 (a) of such Act is amended by striking out the period at the end thereof and inserting a comma and the following: "and (3) minimize the burden on the American taxpayer by reducing the amount of dollar purchases by the participating countries to the greatest extent possible, consistent with maintaining an adequate supply of the essentials for the functioning of their economies and for their continued recovery."

(b) Subsections (b) and (c) of section 112 of such Act are hereby repealed.

(c) Section 112 (1) of such Act is amended to read as follows:

"(1) No funds authorized for the purposes of this title shall be used for the purchase in bulk of any commodities at prices higher than the market price prevailing in the United States at the time of the purchase adjusted for differences in the cost of transportation to destination, quality, and terms of payment. A bulk purchase within the meaning of this subsection does not include the purchase of raw cotton in bales."

(d) Section 112 of such Act is further amended by adding at the end thereof the following new subsections:

"(m) Notwithstanding any other provision of law, the pricing provisions of section 112 (e) of this title and section 4 of the Act of July 16, 1943 (57 Stat. 566) shall not be applicable to domestic wheat and wheat flour procured under this title or any other Act providing for assistance or relief to foreign countries, supplied to countries which are parties to the International Wheat Agreement of 1949 and credited to their guaranteed purchases thereunder.

"(n) It is the sense of Congress that no participating country shall maintain or impose any import, currency, tax, license, quota, or other similar business restrictions which discriminate against citizens of the United States or any corporation, partnership, or other association substantially beneficially owned by citizens of the United States, engaged or desiring to engage, in furtherance of the purposes of this title, in the importation into such country of any commodity, which restrictions are not reasonably required to meet balance of payments conditions, or requirements of national security, or are not authorized under international agreements to which such country and the United States are parties. In any case where the Department of State determines that any such discriminatory restriction is maintained or imposed by a participating country or by any dependent area of such country, the Administrator shall take such remedial action as he determines will effectively promote the purposes of this subsection (n)."

#### AUTHORIZATION OF APPROPRIATIONS

SEC. 105. (a) Section 114 (c) of such Act is amended by striking out the period at the end of the first sentence and inserting in lieu thereof a colon and the following: "*Provided further*, That in addition to the amount heretofore authorized and appropriated, there is hereby authorized to be appropriated for carrying out the provisions and accomplishing the purposes of this title not to exceed \$2,700,000,000 for the fiscal year ending June 30, 1951: *Provided further*, That \$600,000,000 of the funds appropriated hereunder shall be available during the fiscal year 1951 solely for the purpose of encouraging and facilitating the operation of a program of liberalized trade and payments, for supporting any central institution or other organization described in subsection (d) of section 111, and for furnishing of assistance to those participating countries taking part in such program: *Provided further*, That not more than \$600,000,000 of such funds shall be available during the fiscal year 1951 for transfer of funds pursuant to subsection (d) of section 111: *Provided further*, That, in addition to the foregoing, any balance, unobligated as of June 30, 1950, or subsequently released from obligation, of funds appropriated for carrying out and accomplishing the purposes of this title for any

period ending on or prior to that date is hereby authorized to be made available for obligation through the fiscal year ending June 30, 1951, and to be transferred to and consolidated with any appropriations for carrying out and accomplishing the purposes of this title for said fiscal year."

(b) The last sentence of section 114 (c) of such Act is amended to read as follows: "The authorizations in this title are limited to the period ending June 30, 1951."

(c) Section 114 of such Act is further amended by adding at the end thereof the following new subsections:

"(h) The President is authorized to transfer to any department or agency any portion of the funds allocated for assistance to Germany from appropriations authorized by subsection (c). This portion may be used for expenses, not otherwise provided for, necessary to meet responsibilities of the United States related to the rehabilitation of occupied areas of Germany, including the furnishing of minimum civilian supplies to prevent starvation, disease, and unrest prejudicial to the objectives of the occupation. This portion may be expended under authority of this subsection or any provisions of law, not inconsistent herewith, applicable to such department or agency and without regard to such provisions of this title as the President may specify as inapplicable.

"(i) As agreed upon by the Secretary of State and the Administrator, a part of the German currency now or hereafter deposited under the bilateral agreement of December 15, 1949, between the United States and the Federal Republic of Germany, or any supplementary or succeeding agreement, shall be deposited into the GARIOA (Government and Relief in Occupied Areas) special account under the terms of article V of the said bilateral agreement. In quantities and under conditions determined by the Secretary of State after consultation with the Administrator, the currency so deposited shall be available for meeting the responsibilities of the United States in the occupation of Germany."

#### COUNTERPART FUNDS

SEC. 106. (a) Section 115 (b) (6) is amended to read as follows:

"(6) placing in a special account a deposit in the currency of such country, in commensurate amounts and under such terms and conditions as may be agreed to between such country and the Government of the United States, when any commodity or service is made available through any means authorized under this title, and is furnished to the participating country on a grant basis: *Provided*, That the obligation to make such deposits may be waived, in the discretion of the Administrator, with respect to technical information or assistance furnished under section 111 (a) (3) of this title and with respect to ocean transportation furnished on United States flag vessels under section 111 of this title in an amount not exceeding the amount, as determined by the Administrator, by which the charges for such transportation exceed the cost of such transportation at world market rates: *Provided further*, That such special account, together with the unencumbered portions of any deposits which may have been made by such country pursuant to section 6 of the joint resolution providing for relief assistance to the people of countries devastated by war (Public Law 84, Eightieth Congress) and section 5 (b) of the Foreign

Aid Act of 1947 (Public Law 389, Eightieth Congress), shall be used in furtherance of any central institution or other organization formed by two or more participating countries to further the purposes set forth in subsection (d) of section 111 or otherwise shall be held or used for purposes of internal monetary and financial stabilization, for the stimulation of productive activity and the exploration for and development of new sources of wealth, or for such other expenditures as may be consistent with the declaration of policy contained in section 102 and the purposes of this title, including local currency administrative expenditures of the United States within such country incident to operations under this title: *Provided further*, That the use of such special account shall be subject to agreement between such country and the Administrator, who shall act in this connection after consultation with the National Advisory Council on International Monetary and Financial Problems and the Public Advisory Board provided for in section 107 (a): *And provided further*, That any unencumbered balance remaining in such account on June 30, 1952, shall be disposed of within such country for such purposes as may, subject to approval by Act or joint resolution by the Congress, be agreed to between such country and the Government of the United States;".

(b) Section 115 (e) of such Act is amended by adding at the end thereof the following new sentence: "The Administrator shall also encourage emigration from participating countries having permanent surplus manpower to areas, particularly underdeveloped and dependent areas, where such manpower can be effectively utilized."

(c) Section 115 of such Act is further amended by adding at the end thereof the following new subsection:

"(j) The Administrator shall utilize such amounts of the local currency allocated pursuant to subsection (h) as may be necessary, to give full and continuous publicity through the press, radio, and all other available media, so as to inform the peoples of the participating countries regarding the assistance, including its purpose, source, and character, furnished by the American taxpayer."

#### FAR EASTERN ECONOMIC ASSISTANCE ACT OF 1950

SEC. 107. (a) Section 3 (c) of the Far Eastern Economic Assistance Act of 1950 is amended by striking out "June 30, 1951" and inserting in lieu thereof "June 30, 1952".

(b) Section 3 (d) of such Act is amended by striking out the period at the end and inserting in lieu thereof a comma and the following: "and \$100,000,000 for the fiscal year ending June 30, 1951."

(c) Section 4 of such Act is amended by striking out "June 30, 1950" and inserting in lieu thereof "June 30, 1951".

### TITLE II

#### AID TO CHINA

SEC. 201. This title may be cited as the "China Area Aid Act of 1950".

#### NATURE OF ASSISTANCE

SEC. 202. Funds, now unobligated or hereafter released from obligation, appropriated by section 12 of the Act entitled "An Act to amend the Economic Cooperation Act of 1948", approved April 19, 1949

(Public Law 47, Eighty-first Congress), are hereby made available for furtherance of the general objectives of the China Aid Act of 1948 through June 30, 1951, and for carrying out the purposes of that Act through economic assistance in any place in China and in the general area of China which the President deems to be not under Communist control, in such manner and on such terms and conditions as the President may determine, and references in the said Act to China shall, insofar as applicable, apply also to any other such place: *Provided*, That, so long as the President deems it practicable, not less than \$10,000,000 of such funds shall be available only for such assistance in areas in China (including Formosa): *Provided further*, That not more than \$8,000,000 of such funds (excluding the \$40,000,000 mentioned in the foregoing proviso) shall be available for relief on humanitarian grounds through the American Red Cross, or other voluntary relief agencies in any place in China suffering from the effects of natural calamity, under such safeguards as the President shall direct to assure nondiscriminatory distribution according to need and appropriate publicity as to source and scope of the assistance being furnished by the United States: *Provided further*, That not more than \$6,000,000 of such funds (excluding the amounts mentioned in the foregoing provisos), shall be available for allocation to the Secretary of State, to remain available until expended, under such regulations as the Secretary of State may prescribe, using private agencies to the maximum extent practicable, for necessary expenses of tuition, subsistence, transportation, and emergency medical care for selected citizens of China for study or teaching in accredited colleges, universities, or other educational institutions in the United States approved by the Secretary of State for the purposes, or for research and related academic and technical activities in the United States, and the Attorney General is hereby authorized and directed to promulgate regulations providing that such selected citizens of China who have been admitted for the purpose of study in the United States, shall be granted permission to accept employment upon application filed with the Commissioner of Immigration and Naturalization.

### TITLE III

#### AID TO PALESTINE REFUGEES

SEC. 301. This title may be cited as the "United Nations Palestine Refugee Aid Act of 1950".

SEC. 302. The Secretary of State is hereby authorized to make contributions from time to time before July 1, 1951, to the United Nations for the "United Nations Relief and Works Agency for Palestine Refugees in the Near East", established under the resolution of the General Assembly of the United Nations of December 8, 1949, in amounts not exceeding in the aggregate \$27,450,000 for the purposes set forth in this title.

#### AUTHORIZATION OF APPROPRIATIONS

SEC. 303. (a) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, not to exceed \$27,450,000 to carry out the purposes of this title.

(b) Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to subsection (a) of this section, to make advances to the Secretary of State, not to exceed in the aggregate \$8,000,000, to carry out the provisions of this title. From appropriations authorized under subsection (a) of this section, there shall be repaid to the Reconstruction Finance Corporation, without interest, the advances made by it under authority contained herein. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation in implementation of this section.

#### NATURE OF ASSISTANCE

SEC. 304. (a) The provisions of sections 301, 302, and 303 of the Act of January 27, 1948 (62 Stat. 6), are hereby made applicable with respect to the United Nations Relief and Works Agency for Palestine Refugees in the Near East to the same extent as they apply with respect to the government of another country: *Provided*, That when reimbursement is made by said Agency, such reimbursement shall be credited to the appropriation, fund, or account utilized for paying the compensation, travel expenses, and allowances of any person assigned hereunder.

(b) Departments and agencies of the United States Government are authorized, with the approval of the Secretary of State, to furnish or procure and furnish supplies, materials, and services to the United Nations Relief and Works Agency for Palestine Refugees in the Near East: *Provided*, That said Agency shall make payments in advance for all costs incident to the furnishing or procurement of such supplies, materials, or services, which payments may be credited to the current applicable appropriation or fund of the department or agency concerned and shall be available for the purposes for which such appropriations and funds are authorized to be used.

#### TITLE IV

SEC. 401. This title may be cited as the "Act for International Development".

SEC. 402. The Congress hereby finds as follows:

(a) The peoples of the United States and other nations have a common interest in the freedom and in the economic and social progress of all peoples. Such progress can further the secure growth of democratic ways of life, the expansion of mutually beneficial commerce, the development of international understanding and good will, and the maintenance of world peace.

(b) The efforts of the peoples living in economically underdeveloped areas of the world to realize their full capabilities and to develop the resources of the lands in which they live can be furthered through the cooperative endeavor of all nations to exchange technical knowledge and skills and to encourage the flow of investment capital.

(c) Technical assistance and capital investment can make maximum contribution to economic development only where there is understanding of the mutual advantages of such assistance and investment and where there is confidence of fair and reasonable

treatment and due respect for the legitimate interests of the peoples of the countries to which the assistance is given and in which the investment is made and of the countries from which the assistance and investments are derived. In the case of investment this involves confidence on the part of the people of the underdeveloped areas that investors will conserve as well as develop local resources, will bear a fair share of local taxes and observe local laws, and will provide adequate wages and working conditions for local labor. It involves confidence on the part of investors, through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation; that they will be given reasonable opportunity to remit their earnings and withdraw their capital; that they will have reasonable freedom to manage, operate, and control their enterprises; that they will enjoy security in the protection of their persons and property, including industrial and intellectual property, and nondiscriminatory treatment in taxation and in the conduct of their business affairs.

SEC. 403. (a) It is declared to be the policy of the United States to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills and the flow of investment capital to countries which provide conditions under which such technical assistance and capital can effectively and constructively contribute to raising standards of living, creating new sources of wealth, increasing productivity and expanding purchasing power.

(b) It is further declared to be the policy of the United States that in order to achieve the most effective utilization of the resources of the United States, private and public, which are or may be available for aid in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing requests of foreign governments for aid for such purposes, shall take into consideration (1) whether the assistance applied for is an appropriate part of a program reasonably designed to contribute to the balanced and integrated development of the country or area concerned; (2) whether any works or facilities which may be projected are actually needed in view of similar facilities existing in the area and are otherwise economically sound; and (3) with respect to projects for which capital is requested, whether private capital is available either in the country or elsewhere upon reasonable terms and in sufficient amounts to finance such projects.

SEC. 404. (a) In order to accomplish the purposes of this title, the United States is authorized to participate in multilateral technical cooperation programs carried on by the United Nations, the Organization of American States, and their related organizations, and by other international organizations, wherever practicable.

(b) Within the limits of appropriations made available to carry out the purposes of this title, the President is authorized to make contributions to the United Nations for technical cooperation programs carried on by it and its related organizations which will contribute to accomplishing the purposes of this title as effectively as would participation in comparable programs on a bilateral basis. The President is further



authorized to make contributions for technical cooperation programs carried on by the Organization of American States, its related organizations, and by other international organizations.

(c) Agencies of the United States Government on request of international organizations are authorized, upon approval by the President, to furnish services and such facilities as may be necessary in connection therewith, on an advance of funds or reimbursement basis, for such organizations in connection with their technical cooperation programs. Amounts received as reimbursements from such organizations shall be credited, at the option of the appropriate agency, either to the appropriation, fund, or account utilized in incurring the obligation, or to an appropriate appropriation, fund, or account currently available for the purposes for which expenditures were made.

SEC. 405. The President is authorized to plan, undertake, administer, and execute bilateral technical cooperation programs carried on by any United States Government agency and, in so doing—

(a) To coordinate and direct existing and new technical cooperation programs.

(b) To assist other interested governments in the formulation of programs for the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas.

(c) To receive, consider, and review reports of joint commissions set up as provided in section 410 of this title.

(d) To make, within appropriations made available for the purpose, advances and grants in aid of technical cooperation programs to any person, corporation, or other body of persons, or to any foreign government or foreign government agency.

(e) To make and perform contracts or agreements in respect of technical cooperation programs on behalf of the United States Government with any person, corporation, or other body of persons however designated, whether within or without the United States, or with any foreign government or foreign government agency: *Provided*, That with respect to contracts or agreements which entail commitments for the expenditure of funds appropriated pursuant to the authority of this title, such contracts or agreements, within the limits of appropriations or contract authorizations hereafter made available may, subject to any future action of the Congress, run for not to exceed three years in any one case.

(f) To provide for printing and binding outside the continental limits of the United States, without regard to section 11 of the Act of March 1, 1919 (44 U. S. C. 111).

(g) To provide for the publication of information made available by the joint commissions referred to in section 410, and from other sources, regarding resources, opportunities for private investment capital, and the need for technical knowledge and skill in each participating country.

SEC. 406. Agreements made by the United States under the authority of this title with other governments and with international organizations shall be registered with the Secretariat of the United Nations in accordance with the provisions of article 102 of the United Nations Charter.

SEC. 407. In carrying out the programs authorized in section 405 of this title—

(a) The participation of private agencies and persons shall be sought to the greatest extent practicable.

(b) Due regard shall be given, in reviewing requests for assistance, to the possibilities of achieving satisfactory results from such assistance as evidenced by the desire of the country requesting it (1) to take steps necessary to make effective use of the assistance made available, including the encouragement of the flow of productive local and foreign investment capital where needed for development; and (2) to endeavor to facilitate the development of the colonies, possessions, dependencies, and non-self-governing territories administered by such requesting country so that such areas may make adequate contribution to the effectiveness of the assistance requested.

(c) Assistance shall be made available only where the President determines that the country being assisted—

(1) Pays a fair share of the cost of the program.

(2) Provides all necessary information concerning such program and gives the program full publicity.

(3) Seeks to the maximum extent possible full coordination and integration of technical cooperation programs being carried on in that country.

(4) Endeavors to make effective use of the results of the program.

(5) Cooperates with other countries participating in the program in the mutual exchange of technical knowledge and skills.

SEC. 408. The President is authorized to prescribe such rules and regulations as may be necessary and proper to carry out the provisions of this title.

SEC. 409. The President shall create an advisory board, hereinafter referred to as the "board", which shall advise and consult with the President or such other officer as he may designate to administer the program herein authorized, with respect to general or basic policy matters arising in connection with operation of the program. The board shall consist of not more than thirteen members to be appointed by the President, one of whom, by and with the advice and consent of the Senate, shall be appointed by him as chairman. The members of the board shall be broadly representative of voluntary agencies and other groups interested in the program, including business, labor, agriculture, public health, and education. All members of the board shall be citizens of the United States; none except the chairman shall be an officer or an employee of the United States (including any agency or instrumentality of the United States) who as such regularly receives compensation for current services. Members of the board, other than the chairman if he is an officer of the United States Government, shall receive out of funds made available for the purposes of this title a per diem allowance of \$50 for each day spent away from their homes or regular places of business for the purpose of attendance at meetings of the board or at conferences held upon the call of the chairman, and in necessary travel, and while so engaged they may be paid actual travel expenses and not to exceed \$10 per diem in lieu of subsistence

and other expenses. The President may appoint such committees in special fields of activity as he may determine to be necessary or desirable to effectuate the purposes of this title. The members of such committees shall receive the same compensation as that provided for members of the board.

SEC. 410. (a) At the request of a foreign country, there may be established a joint commission for economic development to be composed of persons named by the President and persons to be named by the requesting country, and may include representatives of international organizations mutually agreed upon.

(b) The duties of each such joint commission shall be mutually agreed upon, and may include, among other things, examination of the following:

(1) The requesting country's requirements with respect to technical assistance.

(2) The requesting country's resources and potentialities, including mutually advantageous opportunities for utilization of foreign technical knowledge and skills and investment.

(3) Policies which will remove deterrents to and otherwise encourage the introduction, local development, and application of technical skills and the creation and effective utilization of capital, both domestic and foreign; and the implementation of such policies by appropriate measures on the part of the requesting country and the United States, and of other countries, when appropriate, and after consultation with them.

(c) Such joint commissions shall prepare studies and reports which they shall transmit to the appropriate authorities of the United States and of the requesting countries. In such reports the joint commissions may include recommendations as to any specific projects which they conclude would contribute to the economic development of the requesting countries.

(d) The costs of each joint commission shall be borne by the United States and the requesting country in the proportion that may be agreed upon between the President and that country.

SEC. 411. All or part of United States support for and participation in any technical cooperation program carried on under this title shall be terminated by the President—

(a) If he determines that such support and participation no longer contribute effectively to the purposes of this title, are contrary to a resolution adopted by the General Assembly of the United Nations that the continuance of such technical cooperation programs is unnecessary or undesirable, or are not consistent with the foreign policy of the United States.

(b) If a concurrent resolution of both Houses of the Congress finds such termination is desirable.

SEC. 412. The President may exercise any power or authority conferred on him by this title through the Secretary of State or through any other officer or employee of the United States Government.

SEC. 413. In order to carry out the purposes of this title—

(a) The President shall appoint, by and with the advice and consent of the Senate, a person who, under the direction of the President or such other officer as he may designate pursuant to section 412 hereof to exercise the powers conferred upon him by

this title, shall be responsible for planning, implementing, and managing the programs authorized in this title. He shall be compensated at a rate fixed by the President without regard to the Classification Act of 1949 but not in excess of \$15,000 per annum.

(b) Officers, employees, agents, and attorneys may be employed for duty within the continental limits of the United States in accordance with the provisions of the civil-service laws and the Classification Act of 1949.

(c) Persons employed for duty outside the continental limits of the United States and officers and employees of the United States Government assigned for such duty, may receive compensation at any of the rates provided for the Foreign Service Reserve and Staff by the Foreign Service Act of 1946 (60 Stat. 999), as amended, may receive allowances and benefits not in excess of those established thereunder, and may be appointed to any class in the Foreign Service Reserve or Staff in accordance with the provisions of such Act.

(d) Alien clerks and employees employed for the purpose of performing functions under this title shall be employed in accordance with the provisions of the Foreign Service Act of 1946, as amended.

(e) Officers and employees of the United States Government may be detailed to offices or positions to which no compensation is attached with any foreign government or foreign government agency or with any international organization: *Provided*, That while so detailed any such person shall be considered, for the purpose of preserving his privileges, rights, seniority, or other benefits, an officer or employee of the United States Government and of the United States Government agency from which detailed and shall receive therefrom his regular compensation, which shall be reimbursed to such agency from funds available under this title: *Provided further*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

(f) Experts and consultants or organizations thereof may be employed as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and individuals so employed may be compensated at a rate not in excess of \$75 per diem.

(g) Such additional civilian personnel may be employed without regard to subsection (a) of section 14 of the Federal Employees Pay Act of 1946 (60 Stat. 219), as amended, as may be necessary to carry out the policies and purposes of this title.

SEC. 414. No citizen or resident of the United States, whether or not now in the employ of the Government, may be employed or assigned to duties by the Government under this Act until such individual has been investigated by the Federal Bureau of Investigation and a report thereon has been made to the Secretary of State: *Provided, however*, That any present employee of the Government, pending the report as to such employee by the Federal Bureau of Investigation, may be employed or assigned to duties under this Act for the period of three months from the date of its enactment. This section shall not apply in the case of any officer appointed by the President by and with the advice and consent of the Senate.

SEC. 415. The President shall transmit to the Congress an annual report of operations under this title.

SEC. 416. (a) In order to carry out the provisions of this title, there shall be made available such funds as are hereafter authorized and appropriated from time to time for the purposes of this title: *Provided, however*, That for the purpose of carrying out the provisions of this title through June 30, 1951, there is hereby authorized to be appropriated a sum not to exceed \$35,000,000, including any sums appropriated to carry on the activities of the Institute of Inter-American Affairs, and technical cooperation programs as defined in section 418 herein under the United States Information and Educational Exchange Act of 1948 (62 Stat. 6). Activities provided for under this title may be prosecuted under such appropriations or under authority granted in appropriation Acts to enter into contracts pending enactment of such appropriations. Unobligated balances of such appropriations for any fiscal year may, when so specified in the appropriation Act concerned, be carried over to any succeeding fiscal year or years. The President may allocate to any United States Government agency any part of any appropriation available for carrying out the purposes of this title. Such funds shall be available for obligation and expenditure for the purposes of this title in accordance with authority granted hereunder or under authority governing the activities of the Government agencies to which such funds are allocated.

(b) Nothing in this title is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any country or countries, or to any international organization.

SEC. 417. If any provision of this title or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of the title and the applicability of such provision to other circumstances or persons shall not be affected thereby.

SEC. 418. As used in this title—

(a) The term "technical cooperation programs" means programs for the international interchange of technical knowledge and skills designed to contribute to the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas. Such activities may include, but need not be limited to, economic, engineering, medical, educational, agricultural, fishery, mineral, and fiscal surveys, demonstration, training, and similar projects that serve the purpose of promoting the development of economic resources and productive capacities of underdeveloped areas. The term "technical cooperation programs" does not include such activities authorized by the United States Information and Educational Exchange Act of 1948 (62 Stat. 6) as are not primarily related to economic development nor activities undertaken now or hereafter pursuant to the International Aviation Facilities Act (62 Stat. 450), nor pursuant to the Philippine Rehabilitation Act of 1946 (60 Stat. 128), as amended, nor pursuant to the Foreign Assistance Act of 1948 (62 Stat. 137), as amended, nor activities undertaken now or hereafter in the administration of areas occupied by the United States armed forces or in Korea by the Economic Cooperation Administration.

(b) The term "United States Government agency" means any department, agency, board, wholly or partly owned corporation or instrumentality, commission, or independent establishment of the United States Government.

(c) The term "international organization" means any intergovernmental organization of which the United States is a member.

## TITLE V

### INTERNATIONAL CHILDREN'S WELFARE WORK

SEC. 501. (a) There is hereby authorized to be appropriated to the President not to exceed \$15,000,000 for the fiscal year ending June 30, 1951, to enable him to make contributions to the United Nations, or any subordinate body thereof, in such manner and on such terms and conditions as he may deem to be in the interests of the United States, to support permanent arrangements within the United Nations structure for international children's welfare work.

(b) If at any time during such fiscal year the President deems it to be in the interests of the United States, he is authorized to make contributions, out of any funds appropriated pursuant to the authorization contained in subsection (a), to the International Children's Emergency Fund to carry out the purposes of the International Children's Emergency Fund Assistance Act of 1948 upon such terms and conditions as he may prescribe; but such contributions shall not exceed the limitation provided by section 204 of such Act.

(c) No additional appropriation shall be made under the authorization contained in such Act of 1948.

(d) Funds appropriated by the second paragraph of title I of the Foreign Aid Appropriation Act, 1949, shall remain available for the purposes for which appropriated through June 30, 1951.

Approved June 5, 1950.